

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 408 (Montgomery County Delegation)

Ways and Means

**Montgomery County - Property Tax - Vacant or Underutilized Commercial
Buildings
MC 912-99**

This bill authorizes Montgomery County to grant a property tax exemption or credit for specified vacant or underutilized commercial buildings that are converted primarily to housing.

Fiscal Summary

State Effect: None. The bill does not affect State finances.

Local Effect: Indeterminate minimal decrease in Montgomery County revenues. Expenditures would not be affected.

Small Business Effect: Potential minimal. The benefit for small businesses depends on the degree of their participation in the program. Since there are a small number of these properties in the county, the effect is expected to be minimal.

Fiscal Analysis

Local Revenues: Montgomery County revenues could decrease to the extent that vacant or underutilized commercial buildings are converted to housing. Any decrease in revenues would depend on the amount of eligible property, any differences in assessments of properties before and after any renovations, the county's property tax rate, and any agreed upon payments made in lieu of taxes.

The number of buildings that could be affected by this bill is unknown, although Montgomery County advises that it has very few vacant or underutilized buildings. If an

exemption or credit is granted, the resulting revenue decline is thus assumed to be minimal.

Information Source(s): Department of Assessments and Taxation, Montgomery County,
Department of Legislative Services

Fiscal Note History: First Reader - February 11, 1999

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